

counts in every community in America. We need more of this.

I also want to brag on the Alisal Union school district, where an antitrucancy initiative is keeping children in school. Every school district in this country that has cracked down on truancy has reduced juvenile crime, reduced the dropout rate, increased learning, and given more kids a better chance. Uniforms for elementary and middle school students keep them focused on what's inside, not what's outside. That also helps. Curfews keep the kids off the street and in a safe and secure place, and that's good.

And finally, let me just say one other thing. The thing I like about what you have done here is that you have not only cracked down on what's going wrong, you've tried to make things go right. You know, it's easy for anybody to stand up at a microphone and tell kids what they ought not to do. That's easy to do, and it's important to do. It's really important what people should not do. But every human being needs something to say yes to, and too many of our children have not had enough things to say yes to. You are also giving them something to say yes to. And I encourage you, as you teach people right from wrong, never to forget you not only need to suppress the wrong, you need to lift up the right and give people something to live for and to shoot for and to strive for.

I believe the most important thing we can do in Washington today, at a time when we have reduced the size of the bureaucracy, we are moving to balance the budget, is to say that we still have to have a Government that is strong enough to help people when they're flat on their back—as you are if you have a flood or a base closing and you need to change the whole direction of your economy or recover from a disaster—and also to help people make the most of their own lives, to build strong families, strong communities, strong workplaces, and a strong Nation.

You are a building block of that. I hope everyone in America will see somewhere tonight on a news report this great, vast sea of faces in this wonderful farming area, from all walks of life and all different backgrounds, who said simply, “We are not giving up on our children. We are lifting up our children.”

Thank you, and God bless you all.

NOTE: The President spoke at 12:24 p.m. at the Monterey County Courthouse. In his remarks, he referred to Alan Styles, mayor, Daniel T. Nelson, chief of police, and Anna Caballero, city council member, Salinas; Simon Salinas, supervisor, Monterey County; Sam Cabral, president, International Union of Police Associations; and Alvin Harrison, U.S. Olympic athlete.

Statement on Proposed Legislation To Establish a Veterans' Medicare Reimbursement Model Project

August 8, 1996

Today I have directed Secretary of Veterans Affairs Jesse Brown to send to Congress legislation for an innovative pilot that will expand health care options for our Nation's older veterans.

The “Veterans' Medicare Reimbursement Model Project Act of 1996” fulfills a recommendation made by the Vice President's National Performance Review and moves forward an idea proposed during the early days of this administration. The proposal has the potential of multiple benefits: expanding the choice of health care for older veterans; bringing new resources, utilization, and operational experience

to the VA health care system; and producing savings for the Medicare Trust Fund by providing health care to Medicare-eligible veterans at a lower cost in the VA system.

This bill would establish a model demonstration project under which the Department of Veterans Affairs (VA) would be reimbursed by the Department of Health and Human Services (HHS) for health care provided to certain Medicare-eligible veterans.

It would open the VA system to Medicare-eligible veterans at a limited number of sites, allowing VA to receive reimbursement from Medicare, and testing whether this is a way of

improving health care access and quality for Medicare-eligible veterans while protecting the integrity of the Medicare program. The proposal incorporates a rigorous evaluation of this demonstration program.

This legislation is particularly important given the increasing number of veterans age 65 and older—by the year 2000, the number of Medicare-eligible veterans will exceed 9.3 million, or 38 percent of the total veteran population. This

model project will allow us to learn more about how we can meet the need of veterans.

The Departments of Defense and Health and Human Services have also been working on developing specifications for a model project to allow Medicare-eligible military retirees to use military treatment facilities with Medicare reimbursement and plan to have a proposal ready in the near future.

Letter to Congressional Leaders Reporting on Terrorists Who Threaten To Disrupt the Middle East Peace Process

August 8, 1996

Dear Mr. Speaker: (Dear Mr. President:)

I hereby report to the Congress on the developments concerning the national emergency with respect to organizations that threaten to disrupt the Middle East peace process that was declared in Executive Order 12947 of January 23, 1995. This report is submitted pursuant to section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c), and section 204(c) of the International Emergency Economic Powers Act (IEEPA), 50 U.S.C. 1703(c).

1. On January 23, 1995, I signed Executive Order 12947, "Prohibiting Transactions with Terrorists Who Threaten To Disrupt the Middle East Peace Process" (the "order") (60 *Fed. Reg.* 5079, January 25, 1995). The order blocks all property subject to U.S. jurisdiction in which there is any interest of 12 terrorist organizations that threaten the Middle East peace process as identified in an Annex to the order. The order also blocks the property and interests in property subject to U.S. jurisdiction of persons designated by the Secretary of State, in coordination with the Secretary of the Treasury and the Attorney General, who are found (1) to have committed, or to pose a significant risk of committing, acts of violence that have the purpose or effect of disrupting the Middle East peace process, or (2) to assist in, sponsor or provide financial, material, or technological support for, or services in support of, such acts of violence. In addition, the order blocks all property and interests in property subject to U.S. jurisdiction in which there is any interest of persons determined by the Secretary of the Treasury, in co-

ordination with the Secretary of State and the Attorney General, to be owned or controlled by, or to act for or on behalf of, any other person designated pursuant to the order (collectively "Specially Designated Terrorists" or "SDTs").

The order further prohibits any transaction or dealing by a United States person or within the United States in property or interests in property of SDTs, including the making or receiving of any contribution of funds, goods, or services to or for the benefit of such persons. This prohibition includes donations that are intended to relieve human suffering.

Designations of persons blocked pursuant to the order are effective upon the date of determination by the Secretary of State or his delegate, or the Director of the Office of Foreign Assets Control (OFAC) acting under authority delegated by the Secretary of the Treasury. Public notice of blocking is effective upon the date of filing with the *Federal Register* or upon prior actual notice.

2. On January 25, 1995, the Department of the Treasury issued a notice listing persons blocked pursuant to Executive Order 12947 who have been designated by the President as terrorist organizations threatening the Middle East peace process or who have been found to be owned or controlled by, or to be acting for or on behalf of, these terrorist organizations (60 *Fed. Reg.* 5084, January 25, 1995). The notice identified 31 entities that act for or on behalf of the 12 Middle East terrorist organizations listed in the Annex to Executive Order 12947,